



Overview of Draft DLA-TIN-011

Basic Ordering Agreement (BOA) for DNSC Tin Sales

**Tin Industry Meeting
Hilton-New York, February 12, 2002**



TIN BOA REVIEW

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mil



Tin

Total Inventory

Longhorn

Metric Tons

Pt Pleasant, WV

9,034

New Haven, IN

765

Hammond, IN

22,912

Baton Rouge, LA

7,911

TOTAL:

40,622

Straits

Pt Pleasant, WV

1,020

New Haven, IN

7,311

TOTAL:

8,331



Tin

Total Inventory

UMHK

Pt Pleasant, WV

Metric Tons

1

Mellaneur

Baton Rouge, LA

2,518

Pass Electro.

Baton Rouge, LA

2

Wah-Chang

Baton Rouge, LA

2,005

Geomines

Baton Rouge, LA

773



Tin AMP/Sales

<u>FY</u>	<u>AMP Qty</u>	<u>QTY Sold</u>	<u>% Of AMP Sold</u>
2000	12,000 MT	11,984	99
2001	12,000 MT	6,500	54
2002 YTD	12,000 MT	0	0



TIN SALES

- ◆ **DLA-TIN-011**, draft issued 2/5/2002
- ◆ **Sales Format: Basic Ordering Agreement (BOA)**
- ◆ **Sales/Offerings: depend on market dynamics**
- ◆ **Material offered by item no., storage location,**
- ◆ **FY 2002 AMP: 12,000 MT**



NEW SALES APPROACH FOR DNSC TIN

New Features

-  Material for sale posted to DNSC Web Site
 -  Participants pre-qualify to participate
 -  Sales forms, BOA available on web page
-  <https://www.dnsc.dla.mil>



NEW SALES APPROACH FOR DNSC TIN

Current Approach

- ◆ Negotiated Format
- ◆ Set date/quantity sold each time offered
- ◆ Several pages constitute offer
- ◆ Each offer stands alone

NEW Approach

- ◆ Basic Ordering Agreement (BOA)
- ◆ Offer material periodically, depending on market needs
- ◆ One sheet (Quote/Award) to quote
 - ◆ I.1 + signed BOA = Contract
- ◆ Common terms and conditions



NEW SALES APPROACH FOR DNSC TIN

Current Approach

- ◆ Couple of weeks to review offers and award
- ◆ Fixed offering date may not meet customers' needs
- ◆ Some award information made public after award

NEW Approach

- ◆ Shorter review/award time (discussion point)
- ◆ More responsive to customer needs; no delay in participating
- ◆ May request payment terms (max: 30 days from receipt of shipping instructions)
- ◆ Monthly aggregate sales notice issued



NEW SALES APPROACH FOR DNSC TIN

VISION FOR FUTURE SALES

- ◆ Interactive Web Site
- ◆ No more hard copies of sales documents
- ◆ Quote on-line (interactive)
- ◆ Paper-free contracting



Section A- Agreement/ Contract Form

- ◆ Agreement/Contract Form: an executed copy of the Basic Ordering Agreement and the Quote/Award Form (I.1) *together* will constitute a contract
- ◆ Material Description:
 - ☞ Longhorn Tin at Baton Rouge, LA and Hammond, IN



Section B - PreQualification

- ◆ Companies may register and qualify under the BOA at any time (ongoing process)
- ◆ Submittals to register and qualify under BOA:
 - ◆ Applicants must review and agree to conform to the terms and conditions of the Agreement by completing pertinent sections of the BOA cover sheet
 - ◆ Complete Identifications I.5 through I.7 (Sections I.3 and I.4 are self-certified by initialing at time of quote)
 - ◆ Financial statements and references



Section B - PreQualification

- ◆ Government will review submittals
 - ◆ Government will evaluate and establish financial responsibility of applicant
 - ◆ Government will execute BOA and return copy to applicant
- ◆ All Applicants must submit the following for review:
 - ◆ Most recent income statement and balance sheet
 - ◆ References to support financial responsibility



Section B - PreQualification

- ◆ In addition, Government will obtain current Dun & Bradstreet Report and will evaluate DNSC sales history (if applicable)
- ◆ Based on financial strength of a company, DNSC will determine the financial exposure limit extended to the company and weigh acceptance of requested payment terms
 - ◆ In consideration of payment terms, the Government expects an equitable adjustment in quoted price



Section B - PreQualification

- ◆ Notification of payment terms will be forwarded to Applicant by letter within ten (10) working days from receipt
- ◆ Re-evaluation of submittal documents and financial information will occur annually and as otherwise required
- ◆ Representations and Identifications must be renewed annually or when information changes
- ◆ Independent Pricing and Debarment/Suspended status is confirmed on Quote/Award Form (I.1)



Section C - Quotes Sales Procedure

- ◆ Material available for sale will be posted on the DNSC website <https://www.dnsc.dla.mil> by 11:30 a.m., local time, Fort Belvoir, VA
- ◆ Problems accessing website? Call:
 - ◆ Alicia Turrentine (703) 767-6515
 - ◆ James Jenkins (703) 767-6529
- ◆ Contractual Issues? Call:
 - ◆ Debbie Nicholson (703) 767-5478
 - ◆ Rick Talbott (703) 767-5497
 - ◆ DNSC Contracting (703) 767-6500



Section C - Quotes

- ◆ Quotes shall be submitted on I.1 Quote/Award Form; quoter initials in space provided to designate compliance with Independent Pricing and Debarment/Suspension (I.3, I.4)
- ◆ Quotes must be faxed and received by date and time noted on web site (timeframe of posting vs. due date is discussion point)
- ◆ Time is local time, Fort Belvoir, VA
Fax quotes to: (703) 767-5541



Section C - Quotes

- ◆ Quotes shall be a fixed dollar and cents value per pound
- ◆ The contract removal period shall not exceed 30 calendar days from award date
- ◆ Quotes shall be for at least 5 MT and a maximum of the quantity offered for sale on the web-site
- ◆ Contracts will be awarded within 24 hours



Section C - Quotes

- ◆ **Evaluation of Quotes**
 - ◆ Price and price alone
 - ◆ Must have completed and approved BOA package prior to quoting (DNSC letter)

- ◆ **Contract Award**
 - ◆ Completed and approved BOA
 - ◆ I.1 Quote/Award Form - completed and signed by Contracting Officer



Section D - Payment

◆ Cash and Carry

- ◆ Payment before shipment
- ◆ Shipment before contract expiration date

◆ Payment Terms

- ◆ Must be requested and pre-approved (see Section B)
- ◆ Maximum acceptable is 30 days from Government receipt of current, accurate, and complete Shipping Instructions



Section D - Payment

- ◆ **DNSC will monitor payment terms**
 - ◆ If contractor has delinquent account, NO material will be shipped until all delinquent charges are paid in full.
- ◆ **Set-Off of Funds**
 - ◆ All monies received by Government may be used to satisfy any outstanding Contractor debt



Section E- Material Removal

Removal

- ◆ Contract period, not to exceed 30 days from award, includes Saturdays, Sundays, holidays
- ◆ Shipping Instructions must be received five (5) working days prior to requested shipment date
- ◆ If contractor fails to remove material by contract expiration date, may be assessed storage charges, interest, and may risk contract default (pay & perform)
- ◆ Contact us prior to compliance difficulties



Section F - Shipping

Request for Shipment

- ◆ **J.3 Shipping Instructions** must be sent/faxed to the Contracting Officer to initiate material shipment
 - ◆ Delivery F.O.B Carrier's Conveyance
 - ◆ Contractor must furnish storage depot with commercial bills of lading five (5) working days prior to requested shipment date
 - ◆ Incomplete shipping instructions may cause a delay in processing material shipment



Section F - Shipping

Request for Shipment

- ◆ No material will be shipped until all outstanding delinquent charges and payments have been satisfied
- ◆ Shipping Instructions will only be accepted from individuals authorized to ship material (See Section I.6)



Section G - Contract Administration

◆ Amendments and Modifications

- ◆ Shall be in writing and signed by Contracting Officer

- ◆ Minimum administrative fee for a contract modification is now \$1,500.00 (payable upon execution)

◆ Title

- ◆ Title of material shall pass to the Contractor upon payment or shipment of material, whichever occurs first



DNSC WEB SITE

<https://www.dnsc.dla.mil>

- ◆ Tin sales information will be accessible from the DNSC Home Page
- ◆ DNSC Home Page is currently undergoing revision to add a separate Tin Sales Tab/Button--ready by start date of BOA sales
- ◆ Quote/Award Form (I.1) can be accessed, completed, and printed from web site, but is not currently interactive



DNSC WEB SITE

<https://www.dnsc.dla.mil>

◆ The following areas will be updated as required on the Tin Web Page:

- ◆ Posting Date of Material Offering
- ◆ Due Date of Quotes
- ◆ Telephone number of POC (for questions)
- ◆ Material posted for sale or “No Sales for Today”
- ◆ Item Number
- ◆ Brand
- ◆ Storage Location
- ◆ Quantity of Material
- ◆ Any additional information or notes for quoters



DLA-TIN-011

Open Discussion

- ◆ Length of time needed to quote from time of notification of sale--3 hours?
- ◆ Contracts awarded within 24 hours from receipt of quotes. Is shorter time needed?
- ◆ Quantity of material available for sale at one time?
- ◆ Quantity of material for sale using the BOA (for the entire FY)?
- ◆ Other issues or discussion points?



Thank you for your participation in the DNSC Industry Meeting!

To contact the DNSC Tin Sales Team:

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Storage Specialist, 703-767-7610

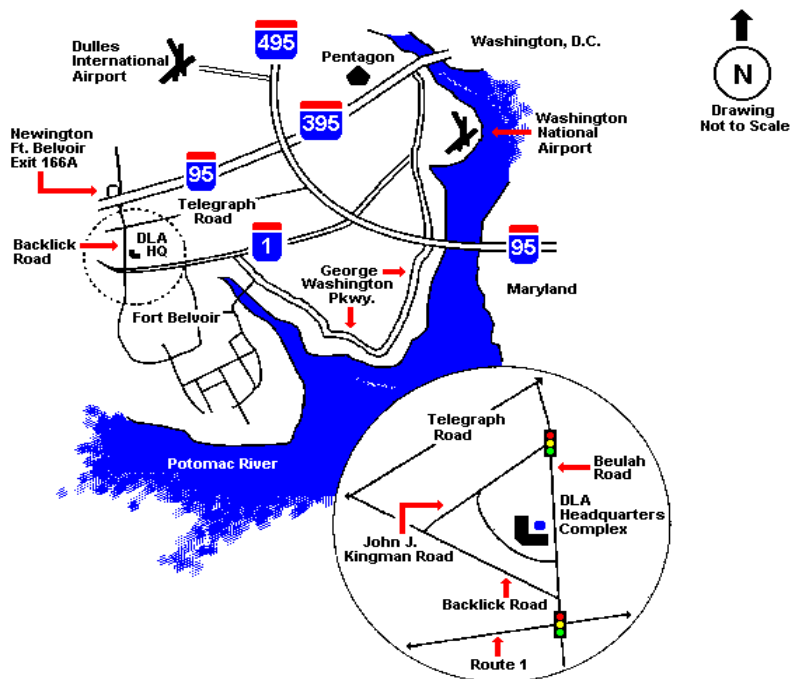
The Defense National Stockpile Center



Come Visit Us

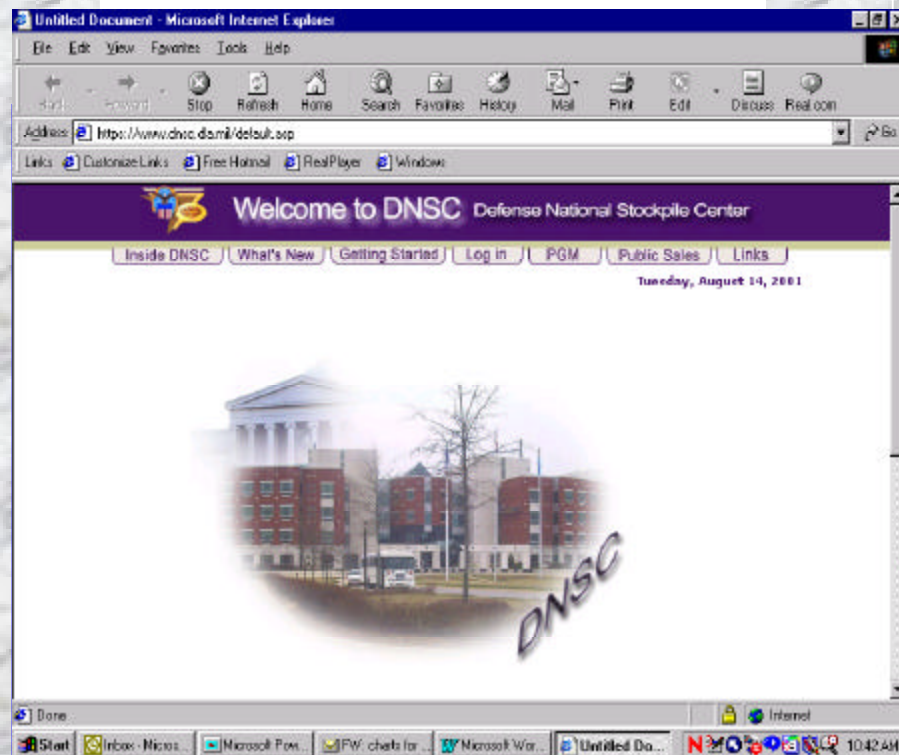
703-767-5500

...at the office



Fort Belvoir, VA

...or on our website



<https://www.dnsc.dla.mil>